

Internship Report on  
**"IMPACT OF UNION BUDGET ON INDIAN STOCK MARKET"**  
**A STUDY CONDUCTED AT SUGAM SHARES SERVICES, HASSAN**  
**BY**

**DHAMINI B C**

**USN: 4AL15MBA17**

**Submitted to**



**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGUM**

*In partial fulfillment of the requirements for the award of the degree of*

**MASTER OF BUSSINESS ADMINISTRATION**

*Under the guidance of*

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**Prof. Dharmanand M**

**Assistant Professor**

**Department of MBA**

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**EXTERNAL GUIDE**

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**Branch Manager**

**Sugam Shares Services**

**Hassan**



**Department of MBA**

**Alva's Institute of Engineering and Technology**  
**Shobhavana campus, Mijar, Moodbidri**  
**2015-2017**

## **SUGAM SHARES SERVICES.**

IST FLOOR,SAHYADRI CIRCLE,SALAGAME ROAD,HASSAN-573201

Franchisee:Asit C Mehta Investment Intermediates Limited.Mumbai.

Ref No:001/Pro/2016-2017

Date:7<sup>th</sup> March 2017

### **CERTIFICATE**

This is to certify that Ms. Dhamini B.C Register Number 4AL15MBA17  
A student of Master of Business Administration (MBA) from ALVA'S  
INSTITUTE OF ENGINEERING TECHNOLOGY,MIJAR,MOODABIDRI,  
MBA Programme,has undertaken a project work titled IMPACT OF  
UNION BUDGET ON INDIAN STOCK MARKET in Asit C Mehta  
Investment Intermediates Limited,Hassan from 2-1-2017 to 10-3-2017  
in our organization.

She is Successfully completed the project work and submitted the  
report on the same.There is no obligation of our company for the said  
Project done in our organization.

During this period her enthusiastic and has appetite to learn.We wish  
her all the success in her work and future endeavours.

For Sugam Share Services,

  
Proprietor.

**SUGAM SHARE SERVICES**  
Stock & Share Brokers & Investment Consultant  
2nd Floor, Sahyadri Circle  
Salagame Road, HASSAN-573 201 Karnataka



## ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY

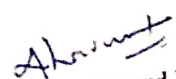
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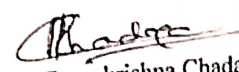
Date: 15-May-2017

### Certificate

This is to certify that, Ms Dhamini B.C, bearing USN 4AL15MBA17, is a bonafide student of Master of Business Administration course of the Institute (2015-17), affiliated to Visvesvaraya Technological University, Belgaum.

The internship report on "Impact of Union Budget on Indian Stock Market," a study Conducted at Sugam Shares Services, Hassan, is prepared by her under the guidance of Prof. Dharmanand M, Assistant Professor, Department of MBA in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belgaum, Karnataka.

  
Prof. Dharmanand M  
Project Guide

  
Prof. P. Ramakrishna Chadaga  
Dean - MBA

  
Dr. Peter Fernandes  
Principal

## DECLARATION

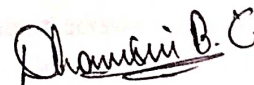
I, **Dhamini B C**, hereby declare that the internship report entitled “**IMPACT OF UNION BUDGET ON INDIAN STOCK MARKET**”: A STUDY CONDUCTED **AT SUGAM SHARES SERVICES, HASSAN**” with reference to “Sugam shares services, Hassan” prepared by me under the guidance of **Prof Dharmanand M**, Assistant Professor, Department of M.B.A, Alva’s Institute of Engineering and Technology and External assistance by **Mr. Shantish B P**, Branch Manager, sugam shares services, Hassan.

I also declare that this internship work is towards the partial fulfillment of the university regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum.

I have undergone a summer internship for a period of Ten weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University/ Institution.

Place: Mijar

Date: 16/05/2017



signature of the student



## ACKNOWLEDGEMENT

Completion of a task by shaping and achieving the objective is often a result of valuable contribution from number of individuals, directly or indirectly.

Firstly I thank almighty God for showering his choicest blessing and keeping me in good health throughout the tenure of the project.

I wish to express my heartfelt gratitude to a number of people who have been associated with me throughout this project. At the outset I would like to acknowledge my gratitude to **Prof. Ramakrishna Chadaga**, Dean of Department of Business Administration.

I am deeply indebted to my faculty guide **Prof Dharmanand** , Assistant Professor, Department of Business Administration, for his regular supervision and valuable suggestions. I am thankful to **Mr. Shantish B P**, Branch Manager, Sugam share services, Hassan and his staff for granting permission and providing requisite information regarding the project.

It's my privilege to thank our beloved principal **Dr. Peter Fernandes** for giving me the opportunity to take up this project. My profound gratitude to all the faculty members of the Department of Business Administration, Alva's Institute of Engineering and Technology, Mijar, Moodbidri.

Finally I extend my gratitude to my parents and friends for their constant co-operation, encouragement and support without which this work would not have completed successfully.

**Dhamini B C**

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## EXECUTIVE SUMMARY

The present study, "Impact of Union Budget on Indian Stock Market," with respect to six aspects like computer software, hardware industry, personal care, automobile, private banking, and miscellaneous sectors gave an opportunity to know about the significance and impact on the stock market on them during the union budget. This study helped to know the market efficiency with various event windows, and how each sector gets affected (positive or negative) due to the budgetary changes. In this study an attempt is made to understand the reaction of the investors for the budget announcement. The returns for each share is calculated for on the date of union budget announcement, sixty days before and sixty days after the budget announcement, for the companies under different sectors which are announced on budget in 2016-17. The study tests whether the investor can make abnormal returns by depend on public information in a budget announcement. This part of the study deals with the analysis of the data collected.

The first part of the study gives an insight about the stock market and its various aspects. I got an opportunity to learn what is impact on union budget is really meant and how it is used to take decisions before making an investment. The study has been undertaken at Sugam Shares Services, Hassan. In this study I have chosen various sectors mentioned above as study of my research and selected 50 companies listed under BSE. I have collected all the information from different sources, from my analysis I have taken the announcement dates of budget and based on that event windows were created like 5days, 11days, 21 days and 41days with which paired comparison t-test, one-way, Abnormal Returns, Standard Deviation, Cumulative Average Abnormal Returns and T-Values and one-way anova was compiled, to know the various changes in stock market. I came to know that except computer software and miscellaneous sectors the investment can be made on hardware industry, personal care, automobile sector, private banking which will fetch high profitability.